

UNITED STATES DISTRICT COURT
DISTRICT OF MAINE

BRENTWOOD INVESTMENTS, LLC,)	
)	
PLAINTIFF)	
)	
v.)	CIVIL No. 2:14-cv-151-DBH
)	
JAMES G. STANLEY, JR.,)	
)	
DEFENDANT)	

ORDER ON CROSS-MOTIONS FOR SUMMARY JUDGMENT

The cross-motions for summary judgment are **DENIED**. Holder-in-due-course status is not the crux of this dispute between James Stanley, the original maker, and Brentwood Investments, LLC, the original payee on the Note which Brentwood seeks to collect in this lawsuit. Nor is conventional *res judicata* arising out of the confirmed arbitration proceeding between Stanley and Michael Liberty/the Liberty Companies the determining factor: at the arbitration, Stanley successfully procured dismissal of Brentwood's claim, and the arbitrator as a result did not include the Brentwood claim in his decision.

Instead, the crucial issue (and the only defense on the Note) is whether Liberty and the Liberty Companies waived—or asserted and lost—a claim to collect the same Note in the arbitration proceedings and, if they did, whether that outcome should preclude Brentwood from collecting, on the basis that Liberty and Brentwood are one-and-the-same (a corporate veil-piercing issue).

That dispute is best resolved by either submission on a stipulated record or a short bench trial.

The parties shall notify the court by July 3, 2015, whether and when they will submit the case on a stipulated record, failing which, the Clerk's Office shall schedule the case for a bench trial.

SO ORDERED.

DATED THIS 2ND DAY OF JUNE, 2015

/s/D. BROCK HORNBY

D. BROCK HORNBY

UNITED STATES DISTRICT JUDGE